



CITY OF DURHAM | DURHAM COUNTY
NORTH CAROLINA



Date: September 3, 2013

To: Thomas J. Bonfield, City Manager

Through: Keith Chadwell, Deputy City Manager

From: Steven L. Medlin, AICP, Planning Director

Subject: Coordinated Annexation Agenda Item: Del Webb III

Executive Summary. A request for voluntary annexation and initial zoning has been received from Pulte Homes for an 18.43 acre site adjacent to the previously approved Del Webb Carolina Arbors. This site is proposed to be incorporated into the Carolina Arbors Development.

The applicant in this case has requested an initial zoning designation of Residential Rural (RR), which is consistent with City Council policy designating the least intense zoning based on the Development Tier and the size of the lot. A rezoning request for the entire Del Webb Carolina Arbors development will be considered separately.

The proposed development has an existing extension agreement approved by City Council, so a new extension agreement is not required. Budget and Management Services performed a fiscal impact analysis, which determined that the proposed annexation will be revenue positive immediately upon annexation.

Two separate motions from Council are required by law to approve the utility extension agreement, voluntary annexation petition, and initial zoning.

Alternatives and Recommendation. Council has two alternatives:

Alternative 1) **Recommended Alternative:** Approve the voluntary annexation and initial zoning.

Alternative 2) Deny voluntary annexation petition. No action would be required or authorized on the initial zoning.

Issues and Analysis. This request involves two separate items: voluntary annexation, and initial zoning.

Voluntary Annexation Petition

The Administration is requesting the Council conduct a public hearing and consider annexation of the subject property with an effective date of September 30, 2013. The public hearing will be held in compliance with N.C. General Statute 160A-58.2.

Initial Zoning

State Statutes (General Statute 160A-360) require that a municipality annexing land place its zoning designation on the property within 60 days of the effective date of the annexation. Staff is recommending an initial zoning designation of Residential Rural (RR) on the property. The RR zoning district is the least intense residential zoning district permitted in the Suburban Tier based on the size of the lot.

Utility Impacts. Because no additional units are proposed, the Departments of Public Works and Water Management did not conduct a Utility Impact Analysis for the project referenced above.

Financial Impact. The estimated annual General Fund revenues generated from this annexation area at build out in FY2016-17 is \$54,773. The estimated annual General Fund expenditures associated with providing City services at build out is \$24,339. The estimated annual General Fund net gain to the City at build out is \$30,434. The cumulative estimated General Fund net gain to the City at build out is \$85,240.

CIP expenses are projected to be realized in FY2016-17. This includes an estimated proportional cost of \$10,808 (0.31%) for a new Fire Station, with a total cost of a new Fire Station estimated at \$3,490,000.

A cost-benefit analysis is attached (Attachment 3) that provides cost and revenue projections through FY2024-25, including CIP expenses.

The chart below contains additional details regarding projected departmental revenue and expense projections.

Department	Revenues	Expenses
Fire	N/A: Inspection fees apply to commercial development. This annexation petition is for residential development only.	Fire Station (CIP), vehicles & one-time upfit, equipment, firefighters and ongoing operations. The development site would comprise 0.31% of the service area; costs are prorated at this percentage. Estimated operating costs at build out: \$5,480 Estimated capital and one-time costs at build out: \$5,695 Estimated CIP costs: \$10,808
Inspections	Impact Fees: Open Space,	Net Zero: Assumes inspection revenues will

Department	Revenues	Expenses
	Street, Parks and Recreation Capital Facilities. Total estimated impact fees: \$25,916	cover cost of inspections.
Planning	Site plan review and plat review fee. FY13 one-time revenue: \$5,200	N/A: Site plan and plat can be reviewed and processed without additional resources.
Police	N/A: There are no Police related revenues anticipated.	Personnel and operating costs: Allocation based on maintaining existing ratio of staff per population and square miles. Estimated operating costs at build out: \$10,496
Public Works	One-time inspection and development review fees. Estimated revenue: \$5,560	Cost for maintenance, fuel, disposables, etc. on an allocation basis for the added street mileage. Estimated operating costs at build-out: \$756
Solid Waste	Revenue from collected recyclables and yard waste subscriber fees. Estimated revenue at build out: \$429	Residential waste disposal, yard waste disposal and processing. Estimated operating costs at build out: \$950
Transportation	Revenue from paratransit service and Powell Bill reimbursement for signage and pavement marking maintenance. Estimated revenue at build out: \$76	Cost of signage and street marker maintenance, paratransit service and thoroughfare streetlights. Estimated operating costs at build out: \$550 Additional estimated cost of streetlights starting in FY18: \$1,709

SDBE Summary. This item has no known SDBE impact.

Attachments

Attachment 1: Context Map
Attachment 2: Aerial Map
Attachment 3: Cost/Benefit Analysis
Attachment 4: Clerk Certification

Memorandum
Del Webb III

Attachment 5:	Legal Description
Attachment 6:	Annexation Ordinance
Attachment 7:	Initial Zoning Ordinance